

## Message Text

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ORIGIN EUR-12

INFO OCT-01 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01 CIAE-00  
COME-00 DODE-00 EB-08 FPC-01 H-01 INR-07 INT-05 L-03  
NSAE-00 NSC-05 OMB-01 PM-04 USIA-06 OES-06 SP-02  
SS-15 STR-04 TRSE-00 ACDA-07 AGRE-00 PA-01 PRS-01  
/102 R

DRAFTED BY EUR/SOV:JTREICHEL:DKM  
APPROVED BY EUR/SOV:MGARRISON  
EUR/SOV:WHEDGAR  
EB/FSE:DHART  
COMMERCE/MARAD:RBOURDON  
-----032027Z 009015 /45  
P 031911Z MAR 77  
FM SECSTATE WASHDC  
TO AMEMBASSY MOSCOW PRIORITY

C O N F I D E N T I A L STATE 047272

MARAD FOR BLACKWELL AND BOURDON

E.O. 11652: N/A

TAGS: EWWT, EEWT, ENRG, UR, US

SUBJECT: POSSIBLE SOVIET OIL SALES TO US

REF: MOSCOW 2700

1. APPRECIATE INTERESTING EMBASSY REPORT AND COMMENT.  
DURING MARINE CARGO INSURANCE NEGOTIATIONS FEBRUARY 1-3  
SOVIET DEPUTY MINISTER OF FOREIGN TRADE IVANOV TOLD  
BLACKWELL SOVIETS HAD CONTRACTED TO DELIVER 3 MILLION TONS  
OF CRUDE OIL AND 850,000 TONS OF PETROLEUM PRODUCTS TO US  
IN 1977. IVANOV EMPHASIZED THAT DELIVERY WAS DIRECTLY TO  
US AND TERMS OF ALL SHIPMENTS WERE FOB. US DELEGATION WAS  
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TOLD PRIVATELY BY SOVIET DELEGATION DURING SAME NEGOTIATIONS  
THAT AT LEAST THREE COMPANIES WERE INVOLVED IN THESE  
TRANSACTIONS. WE HAVE NO CONFIRMATION FROM OTHER SOURCES  
OF IVANOV'S STATEMENT BUT WOULD ASSUME IT TO BE ACCURATE.

2. PRESUMABLY 1.2 MILLION TONS PURCHASED BY JOC OIL WOULD  
BE PART OF QUANTITIES ENUMERATED BY IVANOV. WE NOTE,

HOWEVER, THAT MINISTRY OF MERCHANT MARINE IN DISCUSSION  
JOC CARGOES WITH MARAD HAS STATED TERMS FOR JOC SHIPMENTS  
ARE C AND F.

3. DEPT CONTACTS WITH OIL AND SHIPPING COMPANIES OVER  
PAST YEAR HAVE INDICATED STRONG DESIRE ON PART OF SOVIETS  
TO SELL AND TRANSPORT OIL AND OIL PRODUCTS TO US MARKET,  
PERHAPS AS PSYCHOLOGICAL AND FINANCIAL BALANCING FOR  
GRAIN PURCHASES. SOVIETS, HOWEVER, HITHERTO HAVE APPEARED  
UNCERTAIN AS TO HOW TO GO ABOUT SELLING MORE THAN SMALL  
QUANTITIES TO US. AS REFTEL INDICATES, PRICE WOULD BE  
IMPORTANT FACTOR, SINCE US MAJORS WOULD PRESUMABLY NOT  
BE INTERESTED IN TURNING TO NEW SUPPLIER ON LONG TERM BASIS  
UNLESS PRICE WERE COMPETITIVE. WE ARE NOT IN A POSITION  
TO JUDGE WHETHER BROKERS, SUCH AS JOC, WOULD BE WILLING  
TO PAY HIGHER PRICE FOR SPECULATIVE REASONS OR IF SOVIETS  
ARE INDEED SHAVING PRICE OF OIL.

4. RE: REFTEL PARA 4. TWO SOVIET TANKERS HAVE CALLED  
AT CORPUS CHRISTI SINCE DECEMBER 1. THEY ARE: TYUMEN  
(12,000 DWT), JANUARY 15-21; AND PALMIRO TOGLIATTI  
(31,817 DWT), FEBRUARY 19-21.

5. ANY FURTHER INFORMATION WHICH EMBASSY CAN DEVELOP TO  
CONFIRM AND EXPAND ON IVANOV'S STATEMENT WOULD BE  
APPRECIATED.

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## Message Attributes

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**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Disposition Approved on Date:**  
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**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE047272  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** JTREICHEL:DKM  
**Enclosure:** DG ALTERED  
**Executive Order:** GS  
**Errors:** N/A  
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**Office:** ORIGIN EUR  
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**Subject:** POSSIBLE SOVIET OIL SALES TO US  
**TAGS:** EWWT, EEW, ENRG, UR, US  
**To:** MOSCOW  
**Type:** TE  
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**Review Markings:**  
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